

Congress of the United States
Washington, DC 20510

October 4, 2021

The Honorable Katherine Tai
United States Trade Representative
600 17th Street NW
Washington, DC 20508

Ambassador Tai:

I write to you concerning the urgent need to ensure that U.S. exporters gain equitable access to the Chinese market. China has continually refused to rebalance its trading relationship with the United States, including by failing to uphold its purchase commitments of U.S. products under existing trade agreements. Immediate steps must be taken to remedy this situation.

The U.S.-China trading relationship has been dramatically unbalanced for decades. This imbalance is a result of China's export-driven growth model, favoring state-owned firms, and numerous unfair trade practices, from dumping goods into U.S. markets to exploiting forced labor in its supply chains in the Xinjiang Uyghur Autonomous Region.

Beginning in 2018, the United States, under Section 301 of the Trade Act of 1974, imposed tariffs on Chinese imports to respond to some of these unfair practices. In response, the United States and China agreed to the "Economic and Trade Agreement Between the Government of the United States of America and the Government of the People's Republic of China" (Phase One Agreement) under which China committed to purchase \$200 billion more in U.S. goods over two years.

Unfortunately, for almost two years, China has failed to meet the terms of this agreement. For example, within days of signing the Phase One Agreement, China extended tariffs to protect Chinese solar manufacturing, making it impossible to meet its purchase commitments for solar-grade polysilicon. Chinese purchases of agricultural commodities—such as corn, soybeans and pork—increased, but still fell short of reaching the relevant commitment levels. China began this year promising to make 'historic' purchases of American ethanol, but even in this instance, further action is needed to ensure China meets this commitment.

From U.S. lobstermen to autoworkers, it is American workers and businesses who continue to bear the burden of the costs of China's broken promises. If the United States is to create jobs, increase wages, and spur investment in our domestic manufacturing capabilities, we must ensure that the United States gains equitable access to the Chinese markets and that China lives up to its commitments.

I implore you to take immediate enforcement action to support American industries that have been hurt by China's discriminatory trade practices and failure to uphold its commitments. Your

enforcement toolbox should include using Article 7.3 of the Phase One Agreement to request specific information on the immediate steps China will take to remove barriers to Chinese purchases of American manufactured goods and agricultural products. Further, Article 7.4 of the Phase One Agreement outlines steps the United States can take when China is not acting in accordance with the agreement and describes appropriate remedial responses if China fails to comply with its terms.

I am encouraged by your commitment to support U.S. exports to China and to ensure that China lives up to its commitments. During your confirmation hearing before the United States Senate, you established your resolve when it comes to protecting American jobs and businesses, and to holding our China accountable.

Thank you for your consideration.

Sincerely,



Daniel T. Kildee
MEMBER OF CONGRESS